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RUEAIIA/CIA WASHINGTON DC 0000  
RHMCSUU/FBI WASHINGTON DC 0000  
RUEKJCS/SECDEF WASHINGTON DC  
RUCPDOG/USDOC WASHINGTON DC 0000

UNCLAS STATE 117106

SENSITIVE  
SIPDIS  
BEIRUT FOR ANDREW LEINBERGER  
BERLIN FOR SHANE PETERSEN

E.O. 12958: N/A  
TAGS: [EG](#) [ETTC](#) [GM](#) [KOMC](#) [LE](#)  
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK  
ON LICENSE 050057708

REF: 2006 BLUE LANTERN GUIDEBOOK

11. (U) This is an Action Request. See paragraphs 2 - 4.

12. (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Posts' assistance in conducting a post-shipment check on license 050057708 for the export of ammunition to Lebanon. Posts are requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

13. (SBU) Reason for Request: To verify the end-use and receipt of this large quantity of ammunition. According to data acquired through the Automated Export System (AES), a significant amount of ammunition was shipped to Egypt on 23 June 2008, against this export authorization (AES Shipping Number 105437). If confirmed, this would constitute an export to an unauthorized end-user in violation of the Arms Export Control Act (AECA) and the International Traffic in Arms Regulation (ITAR). This request is for posts to verify with the Lebanese Internal Security Forces the quantity of ammunition ordered and received against this export authorization. Posts are also requested to determine, to the extent possible, if any shipment of ammunition was exported under this license to any end-users not listed on this authorization.

14. (SBU) Action Request: Embassy Beirut should make the appropriate inquiries with officials of the Lebanese Internal Security Forces to determine the quantity of ammunition that was ordered and received and to determine why such a large quantity is needed. Embassies Beirut and Berlin are also requested to make appropriate inquiries with representatives of Mercantile Trading Company and Logi-Sped GMBH, respectively, to determine if any ammunition under this license was shipped to end-users other than the Lebanese Internal Security Forces. The following points are included for guidance:

(Action Embassy Beirut)

To the Lebanese Internal Security Forces--

-- Did the Lebanese Internal Security Forces order the ammunition listed below? If so, what quantity of ammunition was ordered? What quantity of the listed ammunition was received? For what end-use did the Lebanese Internal Security Forces order such a large quantity of ammunition? Was any of the ammunition shipped outside the borders of Lebanon? If so,

please explain the circumstances under which this was done.  
Are you familiar with the regulations governing the import of  
U.S.-origin defense articles, including restrictions on  
re-transfer or re-export?

To Mercantile Trading Company--

-- What was Mercantile Trading Company's role in this  
transaction? Did the company ever have physical possession of  
the ammunition listed below? What quantity of ammunition was  
ordered by the Lebanese Internal Security Forces? Can you  
verify the quantity of the listed ammunition that was  
received? Was any ammunition on this license shipped to an  
end-user other than the Lebanese Internal Security Forces?  
Was any ammunition on this license shipped anywhere outside  
the borders of Lebanon? Are you familiar with the regulations  
governing the import of U.S.-origin defense articles,  
including restrictions on re-transfer or re-export?

(Action Embassy Berlin)

To Logi-Sped GMBH--

-- What was Logi-Sped GMBH's role in this transaction? Did  
the company ever have physical possession of the ammunition  
listed below? What quantity of ammunition was ordered by the  
Lebanese Internal Security Forces? Can you verify the  
quantity of the listed ammunition that was received? Was any  
ammunition on this license shipped to an end-user other than  
the Lebanese Internal Security Forces? Was any ammunition on  
this license shipped anywhere outside the borders of Lebanon?  
Are you familiar with the regulations governing the import of  
U.S.-origin defense articles, including restrictions on  
re-transfer or re-export?

In its reply, Posts may also comment on any other information  
pertinent to these transactions such as security of  
facilities and concerns about the entities involved.

15. (U) Details of license application:

DTC Case: 050057708

QUANTITY/COMMODITY:

10,000,000 Centerfire Ammunition, Calibers 5.56mm, 9mm, and  
40S&W

License Value: USD \$2,200,000

SELLER:

Olin Corporation Winchester Division  
427 N. Shamrock Street  
East Alton, IL 62024

FOREIGN INTERMEDIATE CONSIGNEE:

Mercantile Trading Co.  
PO Box 14-5448  
Ground Floor, Sakr Building Saeb Salam Avenue (Corniche al  
Mazraa)  
Beirut 11052040  
POC: Mohamad Jamil  
Tel: 961-1-739859

Logi-Sped GMBH, Niederl Hamburg  
Am Windhukkai 5  
Hamburg, Germany  
(No further information received)

FOREIGN END-USER:

Lebanese Internal Security Forces  
Headquarters. Hotel Dieu Street  
Beirut, Lebanon  
POC: General Ahmad Hneini  
Tel: 961-1-422138

PURPOSE:

For use by the Lebanese Internal Security Forces

¶6. (U) Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

DSP-83 signed by General Achraf Rifi on 07/17/2007 and BJ Ambrosi on 07/20/2007

Purchase order from Mercantile Trading Co. dated 07/17/2007 signed by Mohamad Jamil

Letter of End-Use (Doc. No. 69) issued by the General Directorate of the Internal Security Forces on 07/17/2007 signed by General Achraf Rifi

¶7. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet:  
[http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520final .pdf](http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520final.pdf)

¶8. (U) Department is grateful for Post's assistance in this matter.  
RICE